

**BUSINESS REPORT**

**MONTANA HOUSE OF REPRESENTATIVES  
61st LEGISLATURE - REGULAR SESSION**

**HOUSE JOINT APPROPRIATIONS SUBCOMMITTEE ON HEALTH AND HUMAN  
SERVICES COMMITTEE**

**Date:** Friday, January 23, 2009  
**Place:** Capitol

**Time:** 8:00 am  
**Room:** 102

**BILLS and RESOLUTIONS HEARD:**

Prefix (HB, HR, HJR, SB, SR, or SJR) and number. Add Postponed (PP) when appropriate:

\_\_\_\_\_  
\_\_\_\_\_

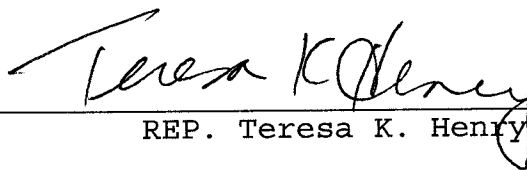
**EXECUTIVE ACTION TAKEN:**

Prefix (HB, HR, HJR, SB, SR, or SJR) and number. Enter P(pass) F(failed) DPAA (do pass as amended) BC(be concurred in) BCAA (be concurred in as amended):

PL 11007 (P) PL 11039 (P) NP 20013 (P) NP 20009(P)  
NP 20004(P) PL 20015 (P) PP 20001(P) \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

**COMMENTS:**



REP. Teresa K. Henry, Chairman

**HOUSE OF REPRESENTATIVES**  
**Roll Call**  
**HEALTH AND HUMAN SERVICES SUBCOMMITTEE**

DATE: 1/23/09

<u>NAME</u>	<u>PRESENT</u>	<u>ABSENT/ EXCUSED</u>
REP. TERESA HENRY, CHAIR	✓	
SEN. DAVE LEWIS, VICE CHAIR	✓	
SEN. JOHN ESP		✓ - Lewis-Proxy
SEN. TRUDI SCHMIDT	✓	
SEN. DAVID WANZENRIED		✓ schmidt proxy
REP. CAROLYN PEASE-LOPEZ	✓	
REP. PENNY MORGAN	✓	
REP. DON ROBERTS	✓	

per sub-com

# AUTHORIZED COMMITTEE PROXY

I request to be excused from the Health + Human Services Joint Subcommittee

Committee because of other commitments. I desire to leave my proxy vote with:

Sen. Dave Lewis

Indicate Bill number and your vote Aye or No. If there are amendments, list them by name and number under the bill and indicate a separate vote for each amendment.

BILL/AMENDMENT	AYE	NO	BILL/AMENDMENT	AYE	NO
DP 20001	X				
DP 20015	X				
DP 20018	X				
NP 20004	X				
NP 20013	X				
PL 11007	X				
PL 11039	abstained				

Rep. Senator

(Signature)

Date

1/23/09

Figure 8  
Tobacco Settlement Account - Fund Balance  
Master Settlement Agreement Payment Allocations to State Special Revenue Accounts  
Proposed as of February 18, 2009

Fund Balances, Revenues, Expenditures	FY 2008	FY 2009	FY 2010	FY 2011	Percent of Total
<b><u>32% Allocation to Tobacco Cessation/Prevention</u></b>					
Beginning Fund Balance	\$2,914,644	\$2,579,810	\$2,563,220	\$2,574,702	
Revenues*	\$11,076,568	\$11,524,800	\$11,657,920	\$11,844,160	
Expenditures					
Department of Revenue	\$247,737	\$233,499	\$310,613	\$310,853	2.7%
Department of Justice	108,357	130,472	115,696	115,822	1.0%
Public Health and Safety Division					
Tobacco Control & Prevention	7,655,381	7,847,419	7,763,183	7,765,649	66.7%
Chronic Disease Programs	2,619,852	2,700,000	2,676,946	2,678,291	23.0%
Newborn Screening Program **			0	0	
Tribal Programs	630,000	630,000	630,000	630,000	5.4%
Division Administrative Costs	0	0	150,000	150,000	1.3%
Subtotal Expenditures	\$11,261,327	\$11,541,390	\$11,646,438	\$11,650,615	96.3%
Percentage of Annual Increase		2.49%	0.91%	0.04%	
Ending Fund Balance	<u>\$2,729,885</u>	<u>\$2,563,220</u>	<u>\$2,574,702</u>	<u>\$2,768,247</u>	
<b><u>17% Allocation to CHIP/MT Comprehensive Health Association</u></b>					
Beginning Fund Balance	\$1,244,368	\$498,045	-\$184,274	\$136,435	
Revenues*	\$5,884,427	\$6,122,550	\$6,193,270	\$6,292,210	
Expenditures					
CHIP	\$5,806,576	\$5,879,255	\$4,946,998	\$4,998,055	84.4%
MCHA	824,173	925,614	925,563	925,556	15.6%
Subtotal Expenditures	<u>\$6,630,749</u>	<u>\$6,804,869</u>	<u>\$5,872,561</u>	<u>\$5,923,611</u>	100.0%
Percentage of Annual Increase		2.63%	-13.70%	0.87%	
Ending Fund Balance	<u>\$498,045</u>	<u>-\$184,274</u>	<u>\$136,435</u>	<u>\$505,034</u>	

\* Revenues included in February 13, 2009 Revenue Estimate adopted by the House Taxation Committee February 18, 2009

Figure 9  
Tobacco Settlement Trust Fund Interest - Fund Balance  
Currently Appropriated by Committee as of February 18, 2009

Fund Balances, Revenues, Expenditures	FY 2008	FY 2009	FY 2010	FY 2011	Percent of FY 2011
Beginning Fund Balance	\$2	\$123,924	\$25,812	-\$852,904	
Revenues*	<u>\$4,091,095</u>	<u>\$4,769,100</u>	<u>\$5,424,300</u>	<u>\$6,123,600</u>	
Expenditures					
Public Health and Safety Division					
HPV Vaccine	\$0	\$400,000	\$400,000	\$400,000	5.51%
Public Home Health Visits/MIAMI**	178,652	200,000	178,642	178,641	2.46%
Children's Special Health Services**	128,020	290,000	290,000	290,000	3.99%
Maternal and Children's Health Data	0	0	75,000	75,000	1.03%
Women's and Men's Health	0	0	30,000	30,000	0.41%
Emergency Medical Services	0	0	125,000	125,000	1.72%
HIV Treatment	0	0	84,000	84,000	1.16%
Public Health and Safety Division Subtotal	\$306,672	\$890,000	\$1,182,642	\$1,182,641	16.29%
Disability Division					
DD Part C, Title XX and MOE	\$0	\$0	\$600,000	\$600,000	8.26%
Disability Division Subtotal	\$0	\$0	\$600,000	\$600,000	
Health Resources Division					
Hospital & Clinical Services Bureau	\$484,406	\$484,406	\$543,647	\$543,647	7.49%
Acute Services Bureau	1,580,175	1,599,378	1,580,175	1,580,175	21.77%
Dental Access	495,759	555,000	495,759	495,759	6.83%
Children's Mental Health Services	233,552	233,552	233,552	233,552	3.22%
Health Resources Division Subtotal	\$2,793,892	\$2,872,336	\$2,853,133	\$2,853,133	39.30%
Senior and Long-term Care Division					
Nursing Homes	\$831,850	\$832,217	\$831,850	\$831,850	11.46%
Resource Facilitation Services	0	100,000	0	0	0.00%
Healthcare for Healthcare Workers**	0	0	750,000	1,691,361	23.30%
Senior and Long-term Care Division Subtotal	\$831,850	\$932,217	\$1,581,850	\$2,523,211	34.76%
Addictive and Mental Disorders					
Mental Health Medicaid Benefits	\$27,659	\$27,659	\$27,659	\$27,659	0.38%
Mental Health Other Services	0	145,000	3,764	18,962	0.26%
Mental Health Administration	7,098	0	53,968	53,978	0.74%
Addictive and Mental Disorders Subtotal	\$34,757	\$172,659	\$85,391	\$100,599	1.39%
Subtotal Expenditures	<u>\$3,967,171</u>	<u>\$4,867,212</u>	<u>\$6,303,016</u>	<u>\$7,259,584</u>	100.00%
Ending Fund Balance	<u>\$123,926</u>	<u>\$25,812</u>	<u>-\$852,904</u>	<u>-\$1,988,888</u>	

\*90% of the trust interest may be appropriated and 10% is deposited to the trust corpus February 13, 2009 Revenue Estimate

\*\* Proposed changes from December 15, 2008 budget submission

Public Home Health Visits/MIAMI outlined in budget analysis B-123

Children's Special Health Data corrects issue with legality of funding this from Tobacco and Cessation Prevention funding

Healthcare for Healthcare Workers funding shifted to Health and Medicaid initiatives, fund stability potential issue

# Health and Medicaid Initiatives Fund Balance - 2011 Biennium Executive Budget Request

## Tobacco Tax Revenue Dedicated to Health Initiatives

Fund Balance Revenue/Expenditures	Actual FY 2008*	Budgeted FY 2009	Legislative Appropriations FY 2010*	FY 2011*	% of Ttl
Beginning Fund Balance	\$47,397,697	\$50,283,077	\$45,977,180	\$37,254,622	50.1%
Revenue - Tobacco Tax*	<u>39,824,984</u>	<u>40,431,000</u>	<u>36,918,000</u>	<u>37,043,000</u>	49.9%
Total Revenue	87,222,681	90,714,077	82,895,180	74,297,622	100%
Interest Earnings		<u>2,721,422</u>	<u>2,486,855</u>	<u>2,228,929</u>	
Total Funds Available	\$87,222,681	\$93,435,500	\$85,382,035	\$76,526,550	
<b>Expenditures</b>					
<i>Medicaid Services - Provider Rate Increases and Service Expansions</i>					
Nursing Home Services	\$5,455,068	\$5,484,432	\$5,480,319	\$5,480,319	11.4%
Managed Care Bureau	5,187,530	5,134,353	5,187,530	5,187,530	22.2%
DD Medicaid Benefits	2,667,826	3,135,587	3,135,587	3,135,587	28.7%
Children's Mental Health Services	2,176,518	2,301,184	2,176,518	2,176,518	33.3%
Hospital and Clinical Services	822,569	1,070,253	1,822,569	1,822,569	37.1%
Senior/Physically Disabled Waiver	1,447,528	1,837,193	1,837,193	1,837,193	40.9%
Home-based Services	1,088,712	1,107,207	1,107,207	1,107,207	43.2%
<i>Executive Change to Healthcare for Healthcare W</i>	<u>0</u>	<u>0</u>	<u>750,000</u>	<u>750,000</u>	44.8%
Adult Mental Health Waiver	0	1,613,488	1,471,493	1,492,314	47.9%
Mental Health Medicaid	886,192	680,475	886,192	886,192	49.7%
Medicaid Pharmacy	753,823	46,930	753,823	753,823	51.3%
Acute Services	262,205	2,177,787	262,205	262,205	51.8%
Chemical Dependency Medicaid	194,625	207,753	194,625	194,625	52.2%
Breast and Cervical Cancer	5,171	19,100	5,171	5,171	52.2%
<i>Other Programs</i>					
Insure Montana (Premium Assistance)	5,618,763	6,525,413	6,557,168	6,558,167	65.9%
Health Insurance Tax Credits	4,028,570	4,350,286	4,370,344	4,372,113	75.0%
Big Sky Rx					
Medicare Part D Premium Assistance	2,534,524	6,579,486	5,772,755	5,774,966	87.0%
Pharmacist Program	9,455	353,063	236,297	236,298	87.5%
Mental Health Services Plan/HIFA	2,768,810	3,152,605	3,433,968	3,433,968	94.7%
CHIP	907,760	1,582,085	2,561,665	2,432,433	99.7%
Mental Health NonMedicaid	25,100	0	25,100	25,100	99.8%
Human and Community Services Div.	58,936	59,213	58,900	58,896	99.9%
Children's Special Health Services	25,685	25,766	25,684	25,684	100.0%
HRD Cost Allocated Administration	<u>14,234</u>	<u>14,661</u>	<u>15,101</u>	<u>15,554</u>	100.0%
Subtotal Expenditures	<u>36,939,604</u>	<u>47,458,320</u>	<u>48,127,414</u>	<u>48,024,432</u>	
Annual Change		28.5%	12.2%	1.2%	
Ending Fund Balance	<u>\$50,283,077</u>	<u>\$45,977,180</u>	<u>\$37,254,622</u>	<u>\$28,502,119</u>	

\*Revenue based on estimates adopted by House Taxation Committee February 2009.

Note: Annual costs carried forward in FY 2009 are \$48.0 million compared to annual revenues of \$37.0 million.

Fund is solvent through the end of the 2013 biennium based on estimated fund balances that carry forward.

HB 258 appropriates \$6,288,408 from the Health and Medicaid initiatives account for additional services for Insure Montana. The bill is in House Appropriations.